



**DEPARTMENT OF THE NAVY**  
OFFICE OF THE SECRETARY  
1000 NAVY PENTAGON  
WASHINGTON DC 20350-1000

IN REPLY REFER TO:  
SECNAVINST 7042.12B  
NCIS N09N  
08 July 1999

SECNAV INSTRUCTION 7042.12B

From: Secretary of the Navy

Subj: GUIDELINES FOR THE USE OF EMERGENCY AND EXTRAORDINARY  
EXPENSE FUNDING FOR INTELLIGENCE, SECURITY AND  
INVESTIGATIVE PURPOSES

Ref: (a) Title 10, United States Code, Section 127

1. Purpose. To prescribe policies and procedures for the use of Emergency and Extraordinary Expense (EEE) funding for Naval and Marine Corps intelligence, security, and investigative purposes. (R)

2. Cancellation. SECNAVINST 7042.12A

3. Background. Reference (a) authorizes a limited amount of funds for emergencies and extraordinary expenses which "may be spent on approval or authority of the Secretary concerned... for any purposes [the Secretary] determines to be proper, and such a determination is final and conclusive upon the accounting officers of the United States. The Secretary concerned may certify the amount of any such expenditure authorized by [the Secretary] that [he/she] considers advisable not to specify, and [the Secretary's] certificate is sufficient voucher for the expenditure of that amount." Authority for the Secretary of the Navy to expend such funds for intelligence, security, and investigative purposes is derived from this language. Expenditures in excess of \$500,000 are the subject of separate Congressional reporting/notification requirements as covered in subsection (C) of the reference. (R)

4. Policy. It is the policy of the Department of the Navy that EEE funding shall be provided for intelligence, security, and investigative operations where security considerations, opportunity, timeliness, or other circumstances peculiar to such operations make use of other funds impractical or undesirable. These funds will not be used to supplement the pay and Allowances authorized by law for services or duties performed by an employee or a member of a uniformed service nor to augment other Navy appropriations enacted by Congress for a designated purpose. The Director of Naval Intelligence (CNO N2) is the resource sponsor for all EEE in the National Foreign Intelligence Program (NFIP). Policies governing the expenditure of NFIP EEE funds are coordinated with CNO (N2). (R)

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5. Action. The Commander, Office of Naval Intelligence, under the command of the Chief of Naval Operations; the Director, Naval Criminal Investigative Service, under the command of the Secretary of the Navy; and the Director of Intelligence, U.S. Marine Corps, under the command of the Commandant of the Marine Corps will:

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a. Issue implementing instructions, approved specifically by the Secretary of the Navy, governing the expenditure and reporting of the subject funds (minor administrative changes to procedures need not be submitted for prior approval).

b. Initiate audit controls which will ensure compliance with the implementing instructions.

c. Submit annual financial plans for the use of subject funds to the Secretary of the Navy for approval.

d. Obtain specific approval from the Secretary of the Navy for any proposed expenditure constituting an exception to the policy stated in paragraph 4. Correspondence should be addressed to the Secretary of the Navy via command channels and the Assistant for Administration to the Under Secretary of the Navy.

Richard Danzig

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